6450-01-P

## DEPARTMENT OF ENERGY

Western Area Power Administration

2025 Resource Pool - Sierra Nevada Customer Service Region

**AGENCY:** Western Area Power Administration, DOE.

**ACTION:** Final power allocations from Central Valley and Washoe Projects.

**SUMMARY:** Western Area Power Administration (WAPA) announces the final 2025 Resource Pool allocations from the Central Valley and Washoe Projects under its 2025 Power Marketing Plan (Marketing Plan) for the Sierra Nevada Customer Service Region (SNR). This notice includes a summary of the comments received on WAPA's proposed 2025 Resource Pool allocations and WAPA's responses.

DATES: The final 2025 Resource Pool allocations begin [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Ms. Sandee Peebles, Public Utilities Specialist, Western Area Power Administration, Sierra Nevada Customer Service Region, 114 Parkshore Drive, Folsom, CA 95630-4710, (916) 353-4454, peebles@wapa.gov.

## **SUPPLEMENTARY INFORMATION:**

## **BACKGROUND**

WAPA published the Marketing Plan on August 15, 2017 (82 FR 38675) to define how SNR will market hydropower from the Central Valley and Washoe projects beginning January 1, 2025, and ending December 31, 2054. SNR's current marketing plan and contracts expire on December 31, 2024. As part of the Marketing Plan, SNR will withdraw 2 percent of the existing

marketable resource from existing customers, also known as Base Resource, to create a resource pool. WAPA is marketing the 2-percent resource pool to eligible preference entities.

WAPA published the Call for 2025 Resource Pool Applications in the *Federal Register* on March 8, 2018 (83 FR 9851), and applications were due by May 7, 2018. On July 13, 2018, WAPA extended the deadline to file applications to August 13, 2018 (83 FR 32664). In response to the Call for 2025 Resource Pool Applications, WAPA received 37 applications. After reviewing and considering the applications, WAPA published the Proposed 2025 Resource Pool Allocations in the *Federal Register* on February 12, 2019 (84 FR 3441) and opened a 30-day comment period. The comment period ended on March 14, 2019. Summaries of the comments received and WAPA's responses are provided below. After considering all comments, WAPA has finalized the proposed power allocations as discussed herein.

# RESPONSES TO COMMENTS RECEIVED ON THE PROPOSED 2025 RESOURCE POOL ALLOCATIONS

During the comment period, WAPA received three letters commenting on the proposed allocations from the 2025 Resource Pool. WAPA reviewed and considered all comments made. Summaries of the comments and responses are provided below.

<u>Comment:</u> All commenters expressed appreciation and support for the proposed 2025 Resource Pool allocations.

Response: WAPA notes the comments of support for its 2025 Resource Pool allocations.

<u>Comment:</u> All commenters requested additional allocations if additional Base Resource becomes available.

Response: WAPA will allocate any additional available power, as discussed below, in the Additional Base Resource section.

# FINAL 2025 RESOURCE POOL ALLOCATIONS

The final 2025 Resource Pool allottees are listed below. The allocations are expressed as percentages of the Base Resource with an estimated megawatt-hour (MWh) amount of each allocation. The estimated MWh for each allocation assumes an estimated average annual Base Resource of 3,342,000 MWh and are rounded to the nearest MWh. The actual amount of Base Resource a customer will receive will vary hourly, daily, monthly, and annually depending on hydrology and other constraints governing Central Valley Project operations. The final allocations are as follows:

Allottee	Base Resource Allocation	Estimated MWh
Army Air Force Exchange	0.03960%	1,323
California State University, Sacramento	0.01106%	370
Cawelo Water District	0.00373%	125
Eastside Power Authority	0.00362%	121
Fallon, City of	0.01988%	664
Hoopa Valley Tribe	0.00158%	53
Kirkwood Meadows Public Utilities District	0.03793%	1,268
Lower Tule Irrigation District	0.00197%	66
Merced Irrigation District	0.10079%	3,368
Modesto Irrigation District	0.30470%	10,183
Monterey Bay Community Power	0.35347%	11,813
Orange Cove Irrigation District	0.02382%	796
Placer County Water Agency	0.00394%	132
Reclamation District 108	0.00072%	24
Regents of the University of California	0.14688%	4,909
Roseville, City of	0.00979%	327
Sacramento Municipal Utility District	0.01735%	580
Santa Clara Water District	0.00365%	122
Silicon Valley Clean Energy Authority	0.32467%	10,850
Sonoma County Water Agency	0.00360%	120
Stockton, Port of	0.01155%	386
Truckee Donner Public Utility District	0.03716%	1,242
Turlock Irrigation District	0.32956%	11,014
University of California, Davis	0.01949%	651

Water Resources, California Department of	0.14398%	4,812
Woodland Davis Clean Water Agency	0.04371%	1,461
Zone 7, Alameda County Flood Control &		
Water Conservation District	0.00180%	60
	2 00000%	66.840

## **Additional Base Resource**

Under the Marketing Plan, there may be future opportunities for entities to receive a Base Resource allocation from WAPA, for instance:

- If an allocation is withdrawn because an allottee or an existing customer is unable to
  execute a contract or secure transmission arrangements for the delivery of power by the
  prescribed dates.
- 2. A customer surrenders an allocation.
- 3. An allottee's or existing customer's base resource allocation is greater than its need.

If additional base resource is available for reallocation prior to the creation of the next resource pool in 2040, WAPA, at its discretion and sole determination, reserves the right to reallocate the additional base resource through bilateral negotiations. WAPA also reserves the right to offer any additional base resource to (1) eligible entities who submitted applications during the 2025 Call for Applications, (2) existing customers, (3) new preference entities, or (4) any entity on a short-term basis.

## **Contracting Process**

SNR will offer existing customers 98 percent of their current base resource allocations. For existing customers who received a resource pool allocation, the additional allocation will be included with their remaining base resource allocations.

After the effective date of this notice, SNR will begin the contracting process. WAPA will send all existing customers and new allottees a *pro forma* electric service contract to

purchase the base resource. All existing customers and new allottees must execute and return SNR's *pro forma* electric service contract within 6 months of the date of WAPA's letter submitting the *pro forma* contract, unless otherwise agreed to in writing by SNR. SNR reserves the right to withdraw and reallocate any power allocation if an existing customer or allottee does not execute the electric service contract within the 6-month period. The date of initial service under these contracts is January 1, 2025, and these contracts will remain in effect until midnight of December 31, 2054.

SNR solely determines the terms, conditions, rates, or charges of its power contracts. SNR will work with existing customers and new allottees to develop customized products, if requested, to meet their needs. Each existing customer and new allottee is responsible for obtaining transmission arrangements for delivery of power to its load. Upon request, SNR may assist in obtaining transmission arrangements for delivery of power; however, it is the customer's or allottee's ultimate responsibility to secure necessary transmission arrangements.

## **Authorities**

The Marketing Plan, published in the *Federal Register* (82 FR 38675) on August 15, 2017, was established under the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*); the Reclamation Act of June 17, 1902 (Public Law 57-161, 32 Stat. 388), as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)); and other acts specifically applicable to the projects involved. Allocating power from the resource pool falls within the Marketing Plan and is covered by this authority.

## **REGULATORY PROCEDURE REQUIREMENTS:**

Environmental Compliance

In accordance with DOE National Environmental Policy Act Implementing Procedures (10

CFR 1021), WAPA has determined this action falls within a class of action B4.1 contracts,

policies, marketing, and allocation plans for electric power, in Appendix B to Subpart D to Part

1021—Categorical Exclusion Applicable to Specific Agency Actions.

Determination Under Executive Order 12866

WAPA has an exemption from centralized regulatory review under Executive Order

12866; accordingly, no clearance of this notice by the Office of Management and Budget is

requred.

**DATED:** June 4, 2019

Mark A. Gabriel

Administrator

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